GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:378
ANSWERED ON:20.11.2002
SHORTFALL IN PROFIT OF SCI
SUNDER LAL TIWARI

Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that there has been shortfall in the net profit of Shipping Corporation of India during 2001-2002 as compared to 2000-01;

(b) if so, whether the Government have reviewed the reasons in this regard;

(c) if so, the details thereof; and

(d) the special steps taken by the Government to improve profitability of the corporation?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR)

(a) Yes, Sir. Shipping Corporation of India`s (SCI) net profit has fallen for the year 2001-2002 as compared to the year 2000-01.The net profit after tax for the two years under consideration are given hereunder:

Financial Year	2000-01	Rs.38,256 lakhs
Financial Year	2001-02	Rs.24,156 lakhs

(b)to(d) Shipping is a cyclical business and the main reason for decline in profitability of SCI during financial year 2001-2002 compared to financial year 2000-2001 was a fall in the freight rates in the international market. SCI runs its business on commercial basis and takes commercial decisions, which are best suited as per the market situation.